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FISCAL IMPACT STATEMENT

LS 6174

BILL NUMBER: HB 1043

NOTE PREPARED: Nov 13, 2002

BILL AMENDED:

SUBJECT: Commercial Property and Casualty Insurance Notice.

FIRST AUTHOR: Rep. Ruppel

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: Local

Summary of Legislation: This bill extends the notice period required for certain nonrenewals and cancellations of a commercial property and casualty insurance policy from 45 days to 90 days. The bill requires 90 days notice of a premium increase for a commercial property and casualty insurance policy.

Effective Date: July 1, 2003.

Explanation of State Expenditures: The state is a self-insured entity and does not purchase any commercial property or casualty insurance. There are no administrative costs associated with this policy change.

Explanation of State Revenues:

Explanation of Local Expenditures: This bill may allow any public entities who purchase this type of insurance a longer period of time to shop around for comparable insurance at a lower premium, and it could result in lower cost to the local government. The number of public entities that may be affected by this bill are unknown.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Any local units that purchase commercial property and casualty insurance.

Information Sources:

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